

45. H.M.S. "Endeavour" arrived in New Zealand waters on 15th June, 1937, and since that date has been continually employed on surveying work in Hauraki Gulf and the approaches thereto. Details of her survey operations have been supplied to the Hon. the Minister of Marine in the form of monthly reports of proceedings.

SECTION VIII.—H.M.S. "PHILOMEL."

46. H.M.S. "Philomel" (Commander C. B. Tinley, O.B.E., R.N.) continues to act as training-ship at Devonport, Auckland.

47. Preliminary designs for a new naval barracks to be erected on a site overlooking the Naval Base are in the course of preparation.

48. All boys and ratings under training from H.M.S. "Philomel" have had sail training at sea in H.M. Ketch "Viking" during the past year.

SECTION IX.—H.M.S. "WAKAKURA."

49. H.M.S. "Wakakura" (Lieutenant K. H. J. L. Phibbs, R.N.) has been continuously employed training the Royal Naval Volunteer Reserve.

50. The ship is in good condition, both as to her hull and machinery.

SECTION X.—R.F.A. "NUCULA."

51. R.F.A. "Nucula" delivered two cargoes of oil fuel during the year, one of which was used to fuel the Australian Squadron at Auckland in April, 1937, and the other discharged to shore tanks.

52. The vessel was finally laid up on 5th July, 1937, and has since been employed as a storage hulk pending the completion of the new oil-fuel tank.

SECTION XI.—NAVAL BASE.

53. Usual periodical dockings and refits have been carried out during the year.

54. The reconstruction of the Base has made progress, but considerable delays have occurred due to the difficulty of obtaining delivery of steel and machinery.

55. The electrical water and other services are nearly complete, and work is in hand on the machine-shop.

56. The new boiler-shop and extensions to the wharves have been completed.

57. The 12,000 ton oil-fuel tank is being erected.

SECTION XII.—NAVAL ARMAMENT DEPOT.

58. Seventeen magazines and shell stores authorized are nearing completion at Kauri Point. Miscellaneous buildings—viz., office block, laboratory, work-room, store-room, and inflammable store—are in course of erection.

59. It is anticipated that the magazines at Fort Takapuna will be vacated and that all stocks of armament stores will be transferred to Kauri Point by 30th September, 1938.

SECTION XIII.—VISITS OF FOREIGN WAR VESSELS.

60. The French training cruiser "Jeanne d'Arc" visited the following New Zealand ports: Wellington, 20th February to 26th February, 1938; Auckland, 28th February to 7th March, 1938.

61. The French sloop "Rigault de Genouilly" visited Auckland 27th April to 7th May, 1937.

62. The United States cruiser "Louisville" visited Auckland from 4th March to 9th March, 1938.

SECTION XIV.—DRILLS, EXERCISES, AND TRAINING AFLOAT.

63. The normal programme of exercises and drills has been carried out, and great stress has been laid on the ships of the Squadron cruising in company so as to permit of manœuvres and exercises being carried out at sea during passage. Programmes have been made out to allow for this as far as possible. The autumn cruise has been established as a training period. The most valuable training periods were:—

(a) That spent by H.M.S. "Leander" in attachment to the Second Cruiser Squadron, Home Fleet, in May, 1937.

(b) From 7th to 17th February, 1938, which was spent in Australian waters in company with all available vessels of the Royal Australian Navy.

(c) The Squadron exercise periods in Hauraki Gulf and other occasions when the ships were in company.

64. A combined mine-sweeping exercise by the two Imperial escort vessels was carried out in Hauraki Gulf in October, 1937, for the benefit of Royal Naval Volunteer Reserve personnel.

E. R. DRUMMOND,

Rear Admiral,

21st May, 1938.

First Naval Member of the Naval Board.

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